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OPE year in review • Industry outlook

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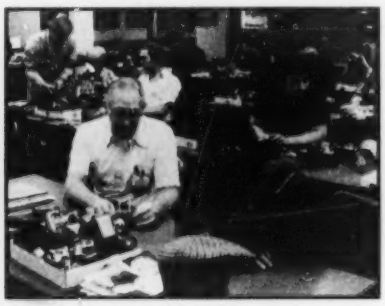

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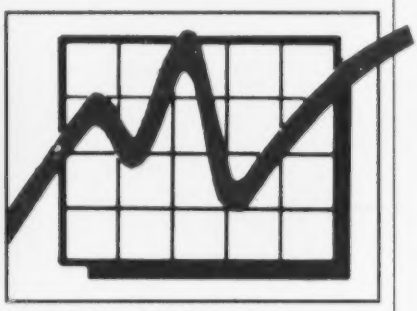

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Battery-power set to charge retail sales

A new generation of battery-powered cordless tools is charging onto the lawn and garden scene with the goal of making lawn chores easier and more convenient than ever before. 6

Market Data 1989

This issue is a compilation of shipment figures, consumer demographics and economic forecasts. From interviews with leading manufacturers, industry reps and retailers, *LGM* presents economic evaluations of 1989's events and makes projections for the '90s. Many of the articles include consumer demographics from the *1988 Study of Media and Markets* published by Simmons Market Research Bureau. The study is based on 19,000 households and measures the likelihood of one demographic group over another to be purchasers or owners of a particular product.

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Did you know?

At a value of $8,177, per capita retail sales are greatest in New England. The region comprised of Kentucky, Tennessee, Mississippi and Alabama is the lowest at $5,595 per capita retail sales.

Source: State & Metropolitan *Retail Forecast 1989-1993* Economic Perspectives Inc.

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From the Editor

From the photo above, could you identify which person is most likely to be your customer? That's a tough question, but it's one you'll have to answer correctly more often in the future.

Demographics help us understand which type of person is most apt to buy certain products. You probably already know, for example, that an avid gardener is most likely 55-64 years old, married, part of a one-income household and a homeowner with children. You probably already know that a typical snowthrower buyer most likely is between the ages of 55-64, male, married and lives in the Midwest or Northeast. This information typically can be gleaned from visual observations of the customers who enter your store.

But demographics offer more than meet the eye. Thanks to some new research by Standard Rate & Data Service, Wilmette, Ill., we now also know that avid gardeners are most likely to list among their other interests: home furnishing/decorating, home workshop, sewing, grandchildren, wildlife, collectibles/collections and crafts. Consumers who list gardening as their No. 1 lifestyle also are more apt to work crossword puzzles, make real estate and stock/bond investments, walk for their health and enjoy photography. They are least likely to play tennis or ski, own motorcycles, enjoy career-oriented activities or make a purchase with a bank credit card.

According to research by Simmons Market Research Bureau Inc., New York City, the candidate more likely than average to buy a snowthrower has attended or graduated college, is employed full-time as a manager, has an annual household income greater than $30,000 and owns his own residence valued in excess of $60,000. His children are most likely to be between the ages of 12 and 17. He is least likely to be younger than 34 years of age, single or divorced.

Information of this kind is invaluable in targeting people *most likely* to be your customers. And knowledge of their interests—outside lawn and garden—tell you what other activities vie for their discretionary dollars and time. Access to such information can help preserve valuable advertising dollars so you don't waste your efforts advertising, marketing to or reaching the people who are *least likely* to be lawn and garden customers.

Putting this knowledge into action might mean you advertise in the crossword section of the newspaper, "Free Pumpkin for All Grandchildren Accompanied by Grandparents" or a snowthrower promotion in a local business journal—rather than just on the sports pages. The information might even suggest possible allied lines to add to your inventory.

As competition heats up, pitting lawn and garden retailers against each other and against other leisure industries for the consumer dollar, demographics will play an increasingly important role in the success of a business. Your challenge is to turn such information to your advantage. Don't get caught with the wrong crowd.

Susan L. Anderson

Lawn&Garden Marketing

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OPE sales outlook

By Susan L. Anderson, *editor*

Heavy consumer advertising by both manufacturers and dealers, coupled with more cautious ordering by dealers, helped reduce inventories left over from the 1988 Drought and boost ratings of the 1989 spring/summer selling season. Although 53 percent of OPE dealers rated the overall 1989 selling season good or excellent, reviews of specific product categories were still mixed.

Results from the August 1989 *Lawn & Garden Marketing* survey, for example, showed sales of walk-behinds increased, according to 41 percent of the respondents, but decreased according to 32 percent. Sales of riders, lawn tractors, garden/utility tractors and tillers all were marked with similar increases and decreases.

Probably the biggest factor contributing to the mixed reports is that dealers were asked to compare 1989 to 1988. To report an increase, dealers would have had to exceed 1988 sales levels. That may have been a hard act for some to follow. Record sales early in the '88 season helped many dealers experience an excellent year before drought conditions set in.

Factors contributing to decreased sales in 1989 included the weather during peak selling months of March-June, equipment prices and the economy.

March made headlines for its tropical heat wave nationally, and dryness continued for most of the country during that month. The Southwest recorded its hottest April ever. During that same month, the East experienced freezing temperatures. Meanwhile, drought conditions continued in the Midwest.

In May, the severe to extreme long-term drought prevailed from Colorado to Wisconsin. But by June, the country seemed to be experiencing either record rainfalls or continued drought. Those dealers located in the wet states explained increased sales, "Rain, rain and more rain. Anything to cut grass sold." And dealers trapped in drought-stricken areas explained simply, "When it doesn't rain, we don't sell much."

But equipment prices—or what many dealers describe as stickershock—also played a role as well. Prices, reflecting increased costs of raw material and labor at manufacturing levels, contributed to the repair, rather than replace, attitude among consumers. Said one dealer, "Most people had their mowers repowered or repaired, [saying] 'It's cheaper than a new one.' "

Housing starts—one of the industry's most powerful indicators— continued to decline, and OPE sales nationally reflected that trend.

Doubtless, OPE sales in the '90s will be marked by more cautious ordering by dealers. Many dealers will be decreasing the volume of their initial orders and reorder as necessary. This will place much of the burden on distributors and manufacturers to fill reorders quickly.

For 1990, many dealers will be concentrating on fewer lines, thereby, reducing the number of different lines they currently offer. Recent company acquisitions by manufacturers—allowing them to extend current offerings or expand into other related fields, like into commercial and hand-held power, for example—may enhance their positions with these dealers.

When asked if any changes in 1990 inventory would be made, 41 percent of power equipment dealers said they planned to increase inventory of walk-behinds and lawn tractors; 47 percent said riders and garden/utility tractor inventories would stay the same.

Other marketing strategies that will come into play in 1990 include:

- greater emphasis on consumer advertising, reflecting a greater need for and use of co-op dollars;
- increased focus on marketing to the commercial business segment; and
- more emphasis on product knowledge and service.

In general, the '90s should present greater marketing opportunities for the industry since a large percentage of Americans are entering their prime equipment-buying years. A key market segment for power equipment is the consumer group ranging in age from 45-65. This group has both the time and money to spend on equipment and is more quality than price conscious. The good news for retailers of those product lines is that census statistics show the group of Americans aged 45-64 will grow by 35 percent in the next decade, signalling what could be a successful decade of OPE sales. **—LGM**

Consumer profile

Read as "(Consumer) more likely than average to own product."

Riders/tractors

	% above average
Age group	
45-54	+37
Level of education	
Graduated high school	+07
Geographic location	
Midwest	+61
Household income	
$60,000 or more	+49
$50,000 or more	+46

Garden tractors

	% above average
Age group	
35-44	+49
Level of education	
Graduated high school	+13
Attended college	+13
Geography	
Midwest	+60
Household income	
$60,000 or more	+64
$50,000 or more	+67

Source: Simmons Market Research Bureau 1988
Base group: Adults

Information for this article was derived from the Outdoor Power Equipment Institute, Consumer Research Center, Conference Board, U.S. Bureau of the Census, and August and September *Lawn & Garden Marketing* surveys of outdoor power equipment retailers. For more information on the retail sales study, contact OPEI at 341 S. Patrick St., Old Town Alexandria, VA 22314. The SMRB study is copyrighted and cannot be reproduced or distributed in any way without written permission from the company. For more information on the complete study, contact Warren Dobbe, Simmons Market Research Bureau, 380 Madison Ave., New York, NY 10017.

Portable increases

By Wendy A. Bishop, *associate editor*

After a slow start during the first few months of this year, the portable power equipment industry seems to have recovered from the 1988 Drought. Most manufacturers reported shipment increases, and retailers tallied more sales.

Weather was to blame for both slower shipments and retail sales early in the year. "People didn't have to use equipment until mid-May in the East," says Don Weakley, executive vice president, Snapper Power Equipment, McDonough, Ga. "Some of the best part of the season was missed."

Blower category leads pack

Hand-held blowers were expected to finish 1989 with an 18 percent increase in shipments, according to Portable Power Equipment Mfrs. Assn. estimates.

Carl Mikovich, president of Poulan/Weed Eater, Shreveport, La., says while blower shipments through August at his company ran ahead of that figure, the industry as a whole was not doing as well. He does anticipate, however, that by year end, industry figures should reach PPEMA estimates.

Gale Sanders, director of marketing for Homelite Div. of Textron Inc., Charlotte, N.C., agrees and says his company, too, is running ahead of the 18 percent figure.

Industry representatives generally agree that the hand-held blower market is the fastest growing segment of the portable power industry, and many manufacturers anticipate shipment increases in 1990.

"If it's done right, the hand-held blower market could grow 15-20 percent each year for the next several years," says Mikovich.

Sanders agrees and compares the increase in blower sales to the boom in microwave ovens. "Once you have one, you can't imagine how you got along without it." He anticipates that the blower market could mature to the size of the trimmer market.

Trimmer market remains strong

Trimmers received much of the attention from retailers in this year's portable power market. According to an August 1989 *Lawn & Garden Marketing* study, 52 percent of the hardware/home centers, mass-merchants and power equipment dealers who responded said spring/summer sales of gas trimmers increased over 1988 figures. This compares to 32 percent who said sales increased in 1988 vs. 1987.

Steve Moore, director of advertising and sales promotion for Homelite, says although the gas trimmer market is very competitive, his company's unit shipments increased.

Another manufacturer was more reserved about shipments. "The industry was down [in shipments] due to a major inventory correction at retail level," says Mikovich. PPEMA estimates put 1989 shipment increases at 4 percent, but Mikovich says he thinks manufacturers will "have to rush to catch up" to that number.

The majority of hardware/home center, mass-merchant and power equipment dealer respondents to a September 1989 *LGM* survey indicated they planned no changes in their portable power inventories. Of the categories they did plan to increase, 49 percent said gas blowers/vacs and 47 percent said gas spin trimmers. Twenty-nine percent of the respondents also plan to increase gas chainsaw inventories.

A possible explanation for the increase in chainsaw inventories is the onslaught of natural disasters. After Hurricane Hugo hit the Southeast, Moore says Homelite shipped huge numbers of chainsaws. "We had a fantastic fall in the chainsaw category," he says. Fires in Western states also fueled chainsaw sales.

Generator shipments and sales also received a boost from Hugo and the earthquake in San Francisco. "People are realizing that a generator is a good investment that can pay for itself quickly," says Sanders. Moore adds that Homelite had excellent unit sales and dollar volume growth and is now "literally sold out of generators nationwide."

Mikovich says the fact that his retailers "sold more than they took in from [Poulan/Weed Eater]" could be one reason retailers plan to increase portable power inventories. His figures show that retail inventory levels are much lower this year than at the same time last year.

"From a manufacturers standpoint, I'm looking for a strong first quarter in 1990," says Mikovich. "Retail inventory needs to be replenished."

Jim Jenkins, Snapper national sales manager, says his firm also is expecting a strong 1990. "After retail sales that rebounded considerably in June, July and August, we're off to a much stronger start for the 1990 year than in either '88 or '89," he says. —LGM

Consumer profile

Read as "(Consumer) more likely than average to own."

Gas trimmer

	% above average
Age group	
35-44	+32
45-54	+34
Geographic location	
Midwest	+29
Household income	
$60,000 or more	+65
$50,000 or more	+57

Gas chainsaw

	% above average
Age group	
35-44	+30
Geographic location	
Midwest	+34
Type of area	
Non metro	+35
Household income	
$60,000 or more	+38
$50,000 or more	+35

Source: Simmons Market Research Bureau 1988
Base: Adults

For more information, contact the Portable Power Equipment Institute, 4720 Montgomery Lane, Ste. 514, Bethesda, MD 20814, (301) 652-0774. The SMRB study is copyrighted and cannot be reproduced or distributed in any way without written permission from the company. For more information, contact Warren Dobbe, SMRB, 380 Madison Ave., New York, NY 10017, (212) 916-8900.

Packaged sales mixed

By Wendy A. Bishop, *associate editor*

The key word used to describe the fertilizer business over the last three years is flat. Manufacturers' shipments of pesticides, fertilizers and soil amendments remained flat in 1988 at $2 billion; pesticides accounted for more than half the total, according to *Consumer Markets for Pesticides and Fertilizers: 1988 Update* by Kline & Co. How 1989 compares remains to be seen; data currently is being compiled.

"It's been several years since [the industry has] had a good gardening year," says Dwight Maloney, product manager-fertilizers for Ortho Consumer Products, San Ramon, Calif. He says, "1988 was a terrible weather year. We thought 1989 might be a comeback, but weather was still a major factor." While some areas of the country experienced continued drought conditions, other regions had as much as four times above normal rainfall, according to the National Weather Service.

After the negative affects the 1988 Drought had on fertilizer sales, both retailers and manufacturers were looking forward to a better year in 1989. But again, the weather didn't cooperate. In response to a September 1989 *Lawn & Garden Marketing* survey, one mass-merchant in Ohio said, "Spring was terrible. We lost $30,000. Summer picked up, but [we are] still overstocked in patio and fertilizers."

Some manufacturers reported shipments up. Maloney reports Ortho's liquid fertilizer shipments are up 15 percent—new packaging may have contributed to this growth—and dry specialty products increased about 2 percent. Horace Hagedorn, CEO, Stern's Miracle-Gro Products Inc., Port Washington, N.Y., reports a 23 percent increase, partially due to extensive advertising.

In general, however, manufacturers agreed that the spring/summer season was not the smash they had hoped for.

While retailers in some regions of the country struggled with sales early in the season due to cold, wet or late springs, others experienced beautiful weather. Gene Wright, general manager for Greenview Lawn and Garden Products, Lebanon, Pa., says some were able to recover by late spring/early summer, which carried over into the fall.

In response to an August 1989 *LGM* survey, 51 percent of the hardware/home centers, independent garden centers and mass-merchants said 1989 spring/summer sales of granular fertilizers were up over the same period in 1988. Of herbicides, 59 percent of the respondents said sales were up.

Respondents were equally divided on whether sales of liquid and soluble fertilizers increased or remained the same, while the majority of respondents said sales of specialty fertilizers remained flat.

According the Kline study, the growth in the value of consumer pesticides and fertilizers is expected to come from price increases rather than actual expansion in product volume.

Maloney substantiates this. "Fertilizer sales are not keeping up with inflation as far as dollar volume," he says. He adds that moderate growth may be seen in 1990.

Wright is more positive about the '90 season and says pre-season bookings are already up over last year. He predicts overall sales volume increases in all categories at Greenview next year.

"Retailers are carrying over more merchandise than they want to," says Hagedorn. "Opening orders are smaller, more conservative, but that doesn't mean dealers and distributors don't have enthusiasm for sales. I'm optimistic, but after a slightly disappointing 1989, the industry is going to be a little more cautious."

One product category that has gained more attention includes natural, organic-based, biological and safe products. Alternative pesticide shipments could reach $1-2 billion within 10 to 15 years, according to a study by Frost & Sullivan. Titled *The Impact of Biotechnology on Pesticides in the U.S.*, the study says retail sales of pesticides reached $4.6 billion in 1988; estimates call for slight increases by 1993 when the market is projected to be $5.35 billion.

Julia Hodge, consultant, Kline & Co., says although she thinks the estimate is on the high side, it is possible. "Many active ingredients in chemical pesticides will become restricted or unavailable during the next 10 to 15 years," she says. "Many companies are researching biological products. There is great potential for growth."

Industry growth in 1990 is most dependent on one major factor that is completely uncontrollable: the weather. Maloney says, "If we had a really good year weather-wise, we might be able to have a really good season." **—LGM**

Consumer profile

Read as "(Consumer) more likely than average to have spent $20 or more in the last 12 months."

Lawn fertilizer

	% above average
Level of education	
Graduated college	+34
Attended college	+20
Geographic location	
Northeast	+30
South	+13
Household income	
$60,000 or more	+44
$50,000 or more	+33

House plant food/fertilizer

	% above average
Age group	
55-64	+13
Geographic location	
Northeast	+229
Household income	
$60,000 or more	+43
$50,000 or more	+37

Source: Simmons Market Research Bureau 1988
Base group: Adults

For more information on: *Consumer Markets for Pesticides and Fertilizers: 1988 Update*, contact Julia E. Hodge, Kline & Co., 185 Passaic Ave., Fairfield, NJ 07006, (210) 227-6262; *The Impact of Biotechnology on Pesticides in the U.S.*, #A2150 contact customer service, Frost & Sullivan Inc., 106 Fulton St., New York, NY 10038, (212) 233-1080.

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Greengoods flat

By Steven A. Stone, *editorial assistant*

Although some garden centers have shown significant increases, the overall trend in greengoods, according to industry sources, is flat. Retail sales in 1988 reached $6.9 billion according to the Wholesale Nursery Growers Assn. Industry projections put this year at $7 billion.

"Sales in greengoods were probably up no more than 5 percent," says Bruce Butterfield, market researcher. National Gardening Assn.

Charles Dunn, industry consultant, Garden Center Institute, agrees. "This has been a year of peaks and valleys....Good weeks have been followed by weeks of decreases."

Lawn & Garden Marketing readers generally out-did last year's slow performance in sales of trees and shrubs. Of the independent garden centers responding to an August 1989 *LGM* survey, 61 percent of them said they had an increase in that segment of the nursery business in spring/summer 1989 as compared to spring/summer 1988. Twenty-four percent of them said sales of trees and shrubs were the same, and 15 percent noted a decrease.

The most recent Floriculture Crops report from the U.S. Department of Agriculture showed that in 1988 most of the categories were down, as expected because of the Drought. Based on wholesale figures by growers, total sales of all bedding and gardening plants were down 2 percent from 1987 levels.

Some categories were hit harder than others. Foliage plants were down 7 percent; total bedding flats were down 6 percent: and flowering hanging baskets were down 5 percent. The bright spot was flowering and foliar-type potted plants, up 21 percent from 1987.

The drought is over in most parts of the country, but the end came late and suddenly. April was a drier-than-normal month for most of the country, with the Midwest continuing severe drought conditions. May had some rain, but it did not help much. In June, rain drenched most of the country, with parts of the South receiving four times normal rainfall.

Other factors also contributed to the slack year in greengoods. Butterfield points out that the business is cyclical. "Maybe the industry will have to wait for a couple of years before we get another big year like 1987," he says.

Dunn points out that most trees and shrubs are sold to accompany new homes. "Greengoods are linked to construction and...new housing starts. We are feeling the effects of a housing slowdown." explains Dunn.

A change in the landscape

Trees and shrubs were not as popular this year, with many people turning to more colorful plantings. Dunn says, "Overall, [garden centers] have seen an increase but not in the traditional landscaping plants. Annuals, perennials—anything that blooms, has color—and fragrant plants have sold well," he says.

Butterfield agrees that colorful, blooming annuals and perennials were popular and will continue to be. "Instant gardening is no risk and a good seller year-in and year-out," he says.

At least one retailer has already taken that idea and run with it. Robin Elstermeier, president of Elstermeier Floral, St. Paul, Neb., says, "We are selling more pre-planted patio and porch boxes."

Elstermeier also had to replace some dead trees in 1989. "Two things killed trees this year: the long dry winter and string trimmers. People used their string trimmers around 5-10 ft. trees and killed them. A lot of my trees went out as replacements," he says. Elstermeier Floral still replaces trees that don't live through the summer but not winter- or trimmer-killed ones.

Replacement policies covering '88 losses did not hurt many retailers despite the Drought, according to an August 1989 *LGM* survey. Only a few of the respondents said that they had lost money on replacements in 1988, and none of them changed their replacement policy in 1989 as a result.

Coming up in the spring

The majority of garden center respondents to a September 1989 *LGM* survey said they plan to increase their inventories of live goods in 1990. Flowering bedding plants were the most often mentioned; 64 percent plan to increase that category.

While annuals and perennials are on an upswing, these increases do not exclude growth in trees and shrubs. As the American Forestry Assn.'s Global ReLeaf program and other environmental programs increase awareness of the beneficial environmental effects of trees, there is potential for sales of woody plants to increase. —LGM

Consumer profile

Read as "(Consumer) more likely than average to have spent $10 or more in the last 12 months."

Bulbs

	% above average
Age group	
55-64	+09
Level of education	
Graduated college	+20
Attended college	+06
Profession	
Professional/manager	+19
Other employed	+07
Geographic location	
Northeast	+103
Midwest	+18
Type of area	
Metro central city	+15
Metro suburban	+06
Household income	
$60,000 or more	+16
$50,000 or more	+20
$40,000 or more	+15
$30,000 or more	+11

Source: Simmons Market Research Bureau 1988
Base group: Adults

For more information contact: USDA National Agricultural Statistics Service, P.O. Box 1608, Rockville, MD 20850, (800) 999-6779; Wholesale Nursery Growers Assn./ American Assn. of Nurserymen, 1250 I St. NW, Ste. 500, Washington, DC 20005, (202) 789-2900; Professional Plant Growers Assn., P.O. Box 27517, Lansing, MI 48909, (517) 694-7700; Garden Center Institute, P.O. Box 1264, Roswell, GA 30077, (404) 587-2113; and National Gardening Assn., 180 Flynn Ave., Burlington, VT 05401, (802) 863-1308. The SMRB study is copyrighted and cannot be reproduced or distributed in any way without written permission from the company. For more information on the complete study, contact Warren Dobbe, Simmons Market Research Bureau, 380 Madison Ave., New York, NY 10017.

Retail sales profile

Servicing dealers are very positive about the results of their 1989 spring/summer selling seasons. Following the Drought last year and subsequent loss of business, most power equipment dealers reported increased repair business in 1989 compared to the same time last year. Two out of three OPE dealers said repair business increased.

As a result, nearly 72 percent said replacement parts sales increased; only 38 percent reported the same last year. Only one in 20 dealers reported that sales of replacement parts decreased in 1989 vs. one in four who reported the same last year. One dealer explained his 1989 success: "Most [customers] had their mowers repowered or repaired. Most common reason: 'It's cheaper than a new one.'"

In anticipation of another year like this one, dealers are optimistic about the replacement parts business. When asked if they planned to make inventory changes in replacement parts in 1990, 65 percent of dealers stocking parts said they would increase their inventories.

Read as "Percentage of retailers indicating sales up, same or down in 1989 vs. 1988."

Service

Up	70%
Same	20%
Down	10%

Replacement parts

Up	72%
Same	24%
Down	4%

Source: August and September 1989 *Lawn & Garden Marketing* surveys
Base: Power equipment dealers

University to offer OPE degree

The Ohio State University Agricultural and Technical Institute in Wooster, Ohio, has developed a two-year program called Horticultural Power and Equipment. The program is designed to train technicians for work in the outdoor power equipment industry.

According to Fred Lendrum, technology coordinator for the program, this new area grew out of the landscape and golf course sequences offered by the Institute.

"After a couple of years, we had students coming back saying that they wished they had received more small engine training," says Lendrum. To determine the best way to fill the void, he sent questionnaires to a number of landscapers, golf courses and nurseries that asked them their opinions on what the program should cover and the number of people they needed. Power equipment dealers became interested later as their need in this area grew more pressing. "The power equipment dealers have come forward to help with the equipment and the advising," he says.

"One problem we have had," says Lendrum, "is that most students want to work on big equipment." Prospective students do not think that there is much of a demand for small engine technicians. However, two similar programs, one in Texas and one in Florida, have lost students after the first year, because the students find a job and do not stay to finish the program, which shows that many trained mechanics are needed.

The program includes a required work experience between the first and second years, and Lendrum hopes to send students to work in shops all over the country. Graduates will be prepared for entry-level positions such as equipment specialist, service technician, service representative, service manager or parts manager after graduation.

For more information, contact Fred Lendrum, Agricultural Technical Institute, OSU-Wooster Campus, 1328 Dover Road, Wooster, OH 44691, (216) 264-3911.

Charity donations turn into tax deductions

If drought followed by flood has left you with excess inventory, there is an organization that can help. The National Assn. for the Exchange of Industrial Resources coordinates charity donations. Excess inventory can be turned into an above-cost federal tax deduction when donated to charity. Under federal tax law, donors are allowed to deduct the cost of the item donated, plus half the difference between cost and fair market selling price. Deductions may be up to twice cost.

The NAEIR is a 12-year-old nonprofit organization that accepts inventory donations, then redistributes them to 7,500 schools and charities throughout the United States. Deductions are allowed under Section 170 (e)(3) of the Internal Revenue Code. Recipients of the material include schools at all levels, hospitals, nursing homes, orphanages, camps, rehabilitation centers and a host of other charities.

Donors receive their tax documentation from NAEIR within 10 days after their merchandise is received at NAEIR's Galesburg, Ill., warehouse. There is no charge to donors for the service.

For more information, contact NAEIR, Dept. LG-1, 560 McClure St., Galesburg, IL 61401, (309) 343-0704.

Briefs

• **Ariens Co.**, Brillion, Wis., has appointed Mike Thuecks to hold the newly created position of market development manager for commercial and tractor products. He will oversee the expansion of Ariens products into the commercial market.

• Curtis Bishop is the new national distribution manager for **Kubota Tractor Corp.**, Compton, Calif. He will be responsible for national operations of computer systems, inventory control and product traffic coordination. Becky Knighton has been named retail/wholesale finance manager for the company.

• G. Christopher Covert has been named senior vice president of technical services for **Simplicity Mfg. Inc.**, Port Washington, Wis. He will be responsible for all product engineering, quality assurance, product improvement and service department activities.

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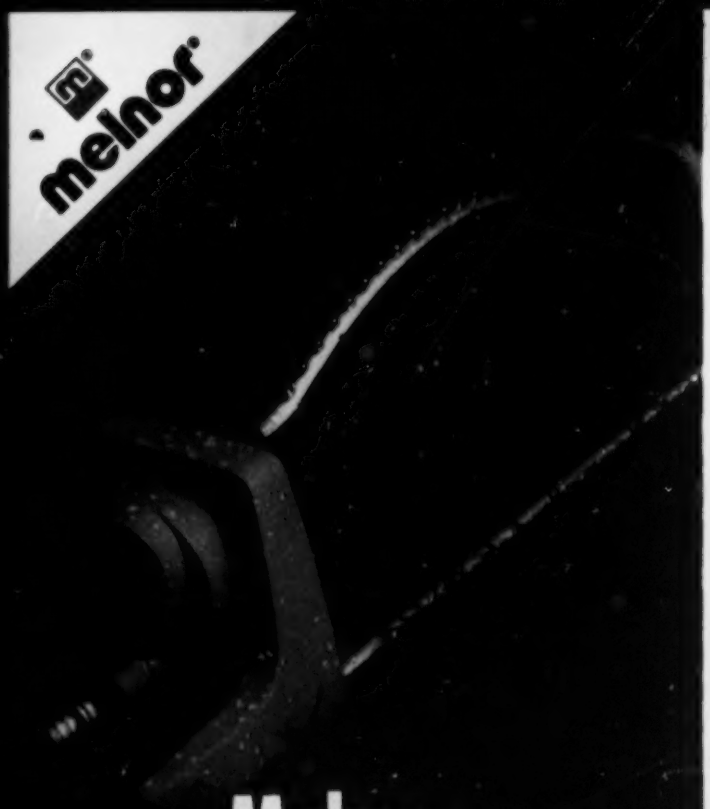

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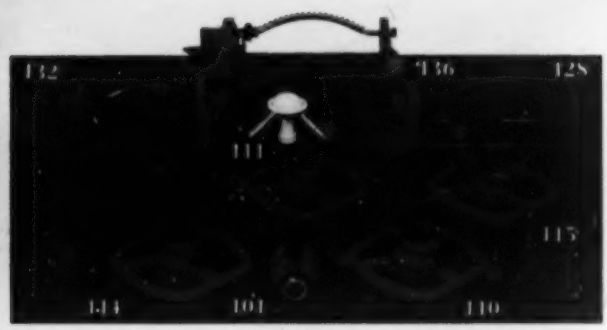

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Top 100 markets

A study published by Standard Rate & Data Service, Wilmette, Ill., called *The Lifestyle Market Analyst*, can give retailers a better fix on gardening consumers and their allied interests. The study—and information contained in the chart below—is based on data gathered by the research firm National Demographics & Lifestyles Inc., Denver. Gardening is just one of 57 activities measured.

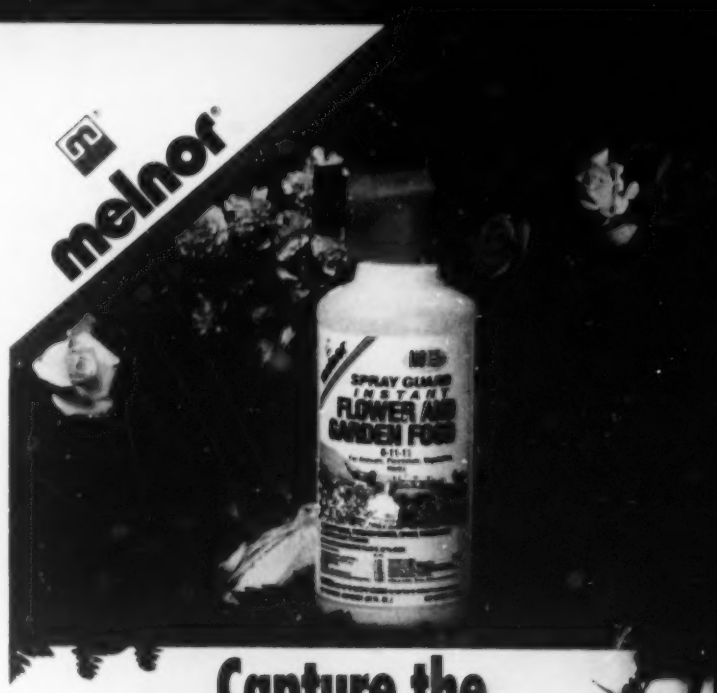
One part of the study ranks gardening cities (Areas of Dominant Influence). Rankings are determined by greatest segment penetration, not population segment. For example, in New York, N.Y., there are nearly 2 million households that have reported an interest in gardening as a lifestyle, earning the city a rank of 210. Glendive, Mont., has 2,326 households that have reported the same interest, earning it the No. 1 spot. When taking into consideration the total household population of New York City, the 2 million gardeners represent only 28 percent of total households, whereas Glendive's 2,326 gardeners represent 51 percent of total households there.

Although not shown here, another part of this study analyzes the demographics of lifestyle participants. Each lifestyle is analyzed in terms of key household demographics and related hobbies and interests. This information can help marketers understand which consumers are most likely to be gardeners and what their other interests are, such as home decorating, sewing, and crafts. (See "From the Editor," page 2.) **—LGM**

This portion of *The Lifestyle Market Analyst 1989* is reprinted with permission from SRDS. For more information or to purchase the complete study, contact Customer Service, SRDS, 3004 Glenview Rd., Wilmette, IL 60091, (800) 323-4588.

Area of Dominant Influence	Garden Lifestyle Rank
Abliene-Sweetwater, TX.	.90
Albany, GA.	.80
Albany-Schenectady-Troy, NY.	.98
Albuquerque, NM.	.99
Alexandria, LA.	.75
Alexandria, MN.	.9
Alpena, MI.	.4
Anniston, AL.	.100
Ardmore-Ada, OK.	.7
Bangor, ME.	.6
Billings-Hardin, MT.	.34
Binghamton, NY.	.48
Bluefield-Beckley-Oak Hill, WV.	.23
Boise, ID.	.35
Bristol-Kingsport-Johnson City/Tri-Cities, TN-VA.	.24
Buffalo, NY.	.55
Burlington-Plattsburgh, NY-VT.	.28
Casper-Riverton, WY.	.81
Cedar Rapids-Waterloo-Dubuque, IA.	.76
Charleston-Huntington, WV.	.29
Charlotte, NC.	.82
Cheyenne-Scotts-Sterling, WY-NE-CO.	.83
Chico-Redding, CA.	.18
Clarksburg-Weston, WV.	.10
Columbia-Jefferson City, MO.	.56
Columbus-Tupelo, MS.	.30
Duluth-Superior, MN-WI.	.16
Elmira, NY.	.42

Area of Dominant Influence	Garden Lifestyle Rank
Erie, PA.	.69
Eugene, OR.	.8
Eureka, CA.	.3
Evansville, IN.	.84
Fargo, ND.	.49
Flint-Saginaw-Bay City, MI.	.91
Ft. Smith, AR.	.57
Ft. Wayne, IN.	.92
Fresno-Visalia, CA.	.93
Glendive, MT.	.1
Grand Junction-Durango, CO.	.25
Great Falls, MT.	.94
Green Bay-Appleton, WI.	.58
Greensboro-Winston Salem-High Point, NC.	.85
Greenville-Spartan-Asheville, NC-SC.	.50
Greenwood-Greenville, MS.	.70
Harrisonburg, VA-WV.	.13
Huntsville-Decatur-Florence, AL.	.59
Idaho Falls-Pocatello, ID.	.20
Jackson, MS.	.86
Jackson, TN.	.71
Johnstown-Altoona, PA.	.43
Jonesboro, AR.	.31
Joplin-Pittsburg, MO-KS.	.60
Knoxville, TN.	.61
La Crosse-Eau Claire, WI.	.72
Lafayette, LA.	.51
Lake Charles, LA.	.95
Laurel-Hattiesburg, MS.	.14
Lexington, KY.	.62
Lincoln-Hastings-Kearney, NE.	.52
Little Rock, AR.	.77
Medford, OR.	.5
Meridian, MS.	.36
Minot-Bismark-Dickinson, ND.	.26
Missoula, MT.	.19
Monroe-El Dorado, LA-AR.	.63
Montgomery-Selma, AL.	.78
North Platte, NE.	.15
Ottumwa-Kirksville, IA-MO.	.11
Paducah-Cape Girardeau-Harris, KY-MO-IL.	.44
Panama City, FL.	.87
Portland, OR.	.21
Portland-Poland Spring, ME.	.45
Quincy-Hannibal, IL-MO.	.53
Rapid City, SD.	.88
Roanoke-Lynchburg, VA.	.89
Rochester-M City-Austin, IA-MN.	.46
Sacramento-Stockton, CA.	.64
Salinas-Monterey, CA.	.37
Salisbury, MD.	.65
Salt Lake City, UT.	.38
Santa Barbara-S. Maria-San Luis Obispo, CA.	.73
Seattle-Tacoma, WA.	.32
Shreveport-Texarkana, LA-AR-TX.	.54
Sioux City, IA.	.33
Sioux Falls-Mitchell, SD.	.39
South Bend-Elkhart, IN.	.79
Spokane, WA.	.12
Springfield, MO.	.27
Terre Haute, IN.	.47
Traverse City-Cadillac, MI.	.22
Twin Falls, ID.	.2
Watertown-Carthage, NY.	.96
Wausau-Rhinelander, WI.	.17
Wheeling-Steubenville, WV-OH.	.40
Wichita-Hutchinson, KS.	.97
Wilkes-Barre-Scranton, PA.	.66
Wilmington, NC.	.67
Yakima, WA.	.41
Youngstown, OH.	.74
Zanesville, OH.	.68



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L&G opportunities in the 1990s

By Charles W. Dunn, *editorial contributor*

Many marketers are calling the last decade of the 20th Century "The Chameleon Decade." Like the chameleon, successful marketers of the '90s will need the ability to adapt to new environments if they are to survive.

There is a revolution occurring in retailing; virtually everything is changing. The mass market continues to unravel. A few years ago, middle-class consumers could be counted on to go to middle-priced stores for most of their purchases. In the '90s, the middle class will either move upscale or downscale. There will be little room in the middle.

The same holds true for shopping. It will occur at high-volume, price-oriented stores, such as today's warehouse clubs and discount stores, or at the more traditional, full-service retailers, such as service-oriented department stores and specialty shops. Again, the middle will offer little chance for success or survival.

As retailers undergo changes in format and size, pricing, shopping patterns and merchandising mixes, they will begin to feel the impact of changing customer loyalties and attitudes. Changes that will cause them to develop new and different relationships with their suppliers. These partnerships will be critical as gardening seeks to position itself in the marketplace as a leisure time activity.

Leisure time activities will be cherished. There will be more money to spend on activities like gardening, but less time to spend it. The "time-press" will continue to fuel the current surge of services we see in the marketplace today, and it will pave the way for all sorts of new products and enterprises. The '90s will see our society dominated by services rather than products.

The 76 million-strong baby boom generation will move into middle age. We'll see more affluent people who have conservative, value-based ideals, and the home will be the focus of American life.

Activities once engaged in that were totally forgotten in recent years will re-emerge as hobbies, including hunting, baking bread and gardening.

Family involvement will increase, and available free time often will involve activities by several individuals. There will be more discretionary income for the consumer to spend on gardening but much more competition for that dollar.

Smaller yards will foster more interest in groundcovers, container plants, small trees, perennials, privacy, low-maintenance and RTU products.

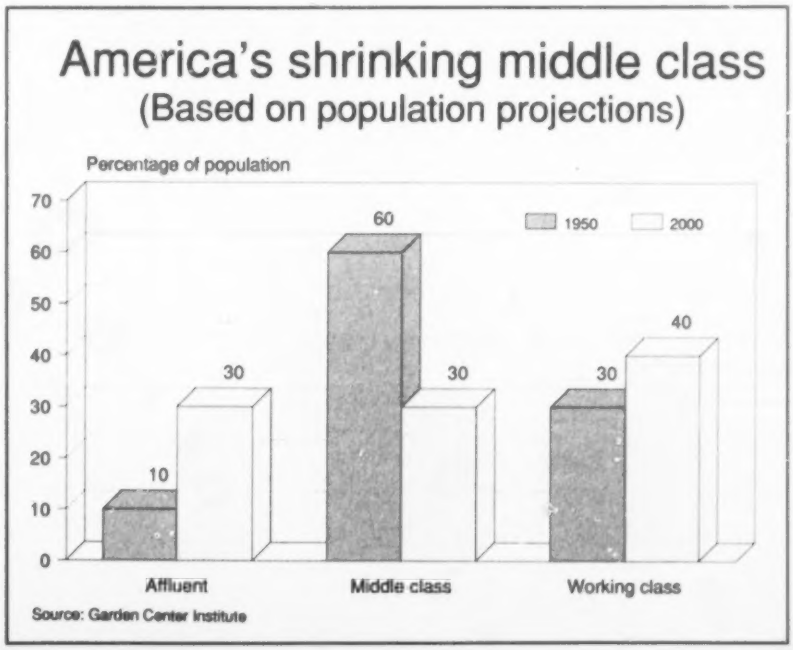
Activism, especially concerning environmental issues, will increase as consumers becomes more concerned about their legacies. They will seek to create their own suburban retreats away from the daily pressures of the corporate ladder climb, which for many will have reached its end.

The '90s will also see the emergence of two distinctive gardening markets. Value Gardeners will be concerned about what they get in return for their activity and expenditure. Marketing to them will be a constant sell because they will carefully determine how much and on what they are willing to spend.

Trendy Gardeners will be interested in immediate results and instant gratification from their gardening activities. Marketers must constantly strive to find the new and unusual that will appeal to instant purchasing decisions.

Successful promotions and carefully planned merchandising will be the key to selling to confused, information-oriented consumers who will buy to satisfy their wants not their needs. Convenience will be more important than price.

These are some of the factors that will drive the gardening market of the '90s. Our opportunities will be developed from them. —LGM



Charles W. Dunn is a marketing consultant and strategist based in Atlanta. He specializes in the lawn and garden industry and has more than 15 years of experience. He founded the Garden Center Institute, an organization that provides its retailer, manufacturer and distributor members with marketing, merchandising, management and informational products and services. He can be reached at (404) 552-1356.

Retail sales profile

The majority of hardware/home center, garden center and mass-merchant retailers were upbeat about their overall spring/summer selling seasons in 1989.

Twenty-eight percent ranked their seasons excellent, while 38 percent ranked them good. Twenty percent ranked their seasons average, and 12 percent ranked them below average. Only 3 percent said sales were poor.

Read as "Percentage of retailers indicating sales up, same or down in 1989 vs. 1988"

Grass seed
Up. 64%
Same. 30%
Down. 6%

Packet seed
Up. 54%
Same. 30%
Down. 13%

Cutting tools
Up. 40%
Same. 40%
Down. 20%

Short-handled tools
Up. 34%
Same. 37%
Down. 28%

Long-handled tools
Up. 30%
Same. 42%
Down. 28%

Hose-end sprayers
Up. 32%
Same. 44%
Down. 24%

Hose-end accessories
Up. 27%
Same. 40%
Down. 33%

Hose
Up. 21%
Same. 31%
Down. 48%

Sprinklers
Up. 19%
Same. 26%
Down. 54%

Planterware
Up. 37%
Same. 43%
Down. 20%

Source: August 1989 *Lawn & Garden Marketing* survey
Base: Hardware/home centers, garden centers, mass-merchants

Use of home pesticides raise safety questions

A study conducted by the University of California shows that many people do not take basic safety precautions when using pesticides. James I. Grieshop and Martha Stiles of UC-Davis found that one in four respondents believed that they had suffered an illness related to pesticide exposure. The study also found that 38 percent of pesticide users do not read the label, and more than half do not wear protective clothing.

Grieshop says, "There is a real communication gap" between the manufacturers and consumers of pesticides. Most labels warn or caution against contact to the eyes, skin and clothing and against breathing the substance but do not include explicit ways to avoid exposure, such as wearing gloves, long sleeves, goggles, masks and washing up after use. Better labeling is one way to help cut down on the risk but only for people who read the labels, he says.

According to Grieshop, retailers can help by reminding customers of common sense rules like reading the label, keeping children away and not using more than directed. "Remind them that these are toxic substances, and that some people [have reactions] to some chemicals," he says.

The study also found that individuals who are most experienced with pesticide use are the ones that are most likely to take the fewest precautions because they perceive the chemicals to be safe. Also, people who wear protective clothing are most likely to mix doses that exceed label instructions. If consumers use a chemical once without ill effect, they begin to take fewer and fewer precautions, thinking that the chemical is not toxic.

The subjects for the study were Sacramento, Calif.-area pesticide shoppers who sent in requests to participate in the study. More than 400 people filled out the survey about their use of pesticides. Focus groups of five to nine people also were formed to discuss specific topics in order to obtain more in-depth information. Another study on the use of chemicals vs. alternative means of pest control currently is being conducted.

AAN helps draft water conservation legislation

A bill introduced in the U.S. Senate was drafted with the aid of the American Assn. of Nurserymen. The Municipal and Industrial Water Conservation Act of 1989 proposes the creation of the Office of Water Conservation within the Environmental Protection Agency.

Included in the bill's language is emphasis on the water-efficiency of landscaping and vegetative cover. Landscaping is a vital way to participate in water conservation activities over and beyond the fact that plantings add to a property's beauty and value.

The bill would provide technical assistance to states, municipalities, businesses and schools by increasing the availability of information on water conservation methods. An identical bill, HR 3099, has been introduced in the House.

According to AAN Director of Government Affairs Ben Bolusky, the bills are still in committee. However, he says having the legislation in both houses means the prospects for passage of at least one are promising.

Briefs

• **Editor's Note:** *Lawn & Garden Marketing* failed to credit Selame Design, Newton Lower Falls, Mass., with the creation of the Home & Garden Showplace℠ logo and photo that appeared in the September issue.

• The first place winner in the Hardware Industry Packaging Exposition at the National Hardware Show® was Magic Pipeline, an underground trickle irrigation system produced by **Entek Canada Ltd.,** Winnipeg, Manitoba.

• **Ortho Consumer Products,** San Ramon, Calif., received a special 4-H Campaign Citation Award for its contributions to the youth organization. Ortho has been involved with the 4-H program for more than 30 years.